



Texas Department of Insurance, Division of Workers' Compensation
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1609

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: (x) Health Care Provider () Injured Employee () Insurance Carrier

Requestor's Name and Address:
Texas Orthopedic Surgery Center
4700 Seton Center Pkwy, \$100
Austin, TX 78759

MDR Tracking No.: M4-03-8241-01

Claim No.:

Injured Employee's Name:

Respondent's Name and Address:
Texas Mutual Insurance Co.
Box 54

Date of Injury:

Employer's Name: Texas Guaranteed Student Loan

Insurance Carrier's No.: 99C0000325303

PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Since there is no MAR for ASC's we will accept a fair and reasonable payment established by what the majority of payors remit on routine basis. Our records will reflect that a large majority of our payors remit 85% or more of billed charges; therefore, we can establish that a F&R amount for procedures performed in our area is at least 85% of billed charges, and we hereby request that the amount in dispute be paid. The disputed amount when added to amount already paid, will equal 85% of what we charged.

Principle Documentation: 1. UB 92
2. EOB

PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

This carrier advocates the language of section 413.011(b) is clear and provides ample guidance in determining what is fair and reasonable billing and payment in the absence of a MAR. This carrier's methodology is consistent with the standards of section 413.001(b) of the Labor Code. Medicare has been identified as an equivalent population to that of workers' compensation in Texas. The requester has accepted and now accepts Medicare reimbursement. Medicare's amount of reimbursement is less than this carrier's. consequently, this carrier believes its payment is appropriate as it conforms strictly with the provisions of 413.011(b) and TWCC Rule 133.304(i), and considers no further payment due.

Principle Documentation: 1. Position Statement
2. Medicare ASC Groups

PART IV: SUMMARY OF DISPUTE AND FINDINGS

Date(s) of Service	CPT Code(s) or Description	Part V Reference	Additional Amount Due (if any)
12/19/02	Ambulatory Surgical Center Care	1	\$145.79

PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

1. This dispute relates to services provided in an Ambulatory Surgical Center that are not covered under a fee guideline for this date of service. Accordingly, the reimbursement determined through this dispute resolution process must reflect a fair and reasonable rate as directed by Commission Rule 134.1. This case involves a factual dispute about what is a fair and reasonable reimbursement for the services provided.

After reviewing the documentation provided by both parties, it appears that neither party has provided convincing documentation that sufficiently discusses, demonstrates, and justifies that their purported amount is a fair and reasonable reimbursement (Rule 133.307). After reviewing the services, the charges, and both parties' positions, it is clearly evident that some other amount represents the fair and reasonable reimbursement.

During the rule development process for facility guidelines, the Commission had contracted with Ingenix, a professional firm specializing in actuarial and health care information services, in order to secure data and information on reimbursement ranges for these types of services. The results of this analysis resulted in a recommended range for reimbursement for workers' compensation services provided in these facilities. In addition, we received information from both ASCs and insurance carriers in the recent rule revision

process. While not controlling, we considered this information in order to find data related to commercial market payments for these services. This information provides a very good benchmark for determining the “fair and reasonable” reimbursement amount for the services in dispute.

To determine the amount due for this particular dispute, staff compared the procedures in this case to the amounts that would be within the reimbursement range recommended by the Ingenix study (from 173.9% to 226.5% of Medicare for this particular year). Staff considered the other information submitted by the parties and the issues related to the specific procedures performed in this dispute. Based on this review and considering the similarity of the various procedures involved in this surgery, staff selected a reimbursement amount in the lower end of the Ingenix range. The total amount was then presented to a staff team with health care provider billing and insurance adjusting experience. This team considered the recommended amount, discussed the facts of the individual case, and selected the appropriate “fair and reasonable” amount to be ordered in the final decision.

Based on the facts of this situation, the parties’ positions, the Ingenix range for applicable procedures, and the consensus of other experienced staff members in Medical Review, we find that the fair and reasonable reimbursement amount for these services is \$775.79. Since the insurance carrier paid a total of \$630.00 for these services, the health care provider is entitled to an additional reimbursement in the amount of \$145.79.

PART VI: GENERAL PAYMENT POLICIES/REFERENCES IMPACTING DECISION

28 Texas Administrative Code Sec. 134.1
28 Texas Administrative Code Sec. 133.307

PART VII: DIVISION DECISION AND ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code, Sec. 413.031, the Division has determined that the requestor is entitled to additional reimbursement in the amount of \$145.79. The Division hereby **ORDERS** the insurance carrier to remit this amount plus all accrued interest due at the time of payment to the Requestor within 30-days of receipt of this Order.

Ordered by:

Marguerite Foster

September 22, 2005

Authorized Signature

Typed Name

Date of Order

PART VIII: YOUR RIGHT TO REQUEST JUDICIAL REVIEW

Appeals of medical dispute resolution decisions and orders are procedurally made directly to a district court in Travis County [see Texas Labor Code, Sec. 413.031(k), as amended and effective Sept. 1, 2005]. An appeal to District Court must be filed not later than 30 days after the date on which the decision that is the subject of the appeal is final and appealable. The Division is not considered a party to the appeal.

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.